

Message Text

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64

ACTION AF-08

INFO OCT-01 EUR-12 ISO-00 CIAE-00 DODE-00 PM-04 H-02

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R 141233Z SEP 76

FM AMCONSUL DURBAN

TO SECSTATE WASHDC 2348

INFO AMEMBASSY PRETORIA

AMCONSUL JOHANNESBURG

AMCONSUL CAPE TOWN

AMEMBASSY LONDON

AMEMBASSY LUSAKA

AMEMBASSY DAR ES SALAAM

AMEMBASSY MAPUTO

AMEMBASSY GABERONE

UNCLAS DURBAN 452

E.O. 11652: N/A

TAGS: PINT, PINS, ECON, ELAB, SF

SUBJ: BUTHELEZI SAYS FREE ENTERPRISE SYSTEM HAS FAILED SA BLACKS

REF: CAPE TOWN 1009

1. SUMMARY: CONTINUING HIS STRAIGHT-TALKING TACTICS OF RECENT DAYS (REFTEL), CHIEF BUTHELEZI ON SEPT. 10 LASHED OUT AT FREE ENTERPRISE CAPITALIST SYSTEM AS PRACTICED IN SA, SAYING BLACKS ARE NOT A PART OF SYSTEM BECAUSE SAG POLICIES PREVENT THEIR ACCESS TO IT. BUTHELEZI ACCUSED WHITES OF ACQUIESCING IN SITUATION BY PAFXWI#RESPONSIBILITY FOR CHANGE AND POWER-SHARING TO GOVERNMENT. HE STRESSED IMPORTANT ROLE COMMERCE AND INDUSTRY LEADERS HAVE IN PROCESS OF CHANGE AND CONCLUDED THEIR ACTIONS IN PERIOD JUST AHEAD WILL DETERMINE WHETHER FREE ENTERPRISE SYSTEM HAS "ANY FUTURE IN AFRICA." END SUMMARY.

2. IN ADDRESS TO AN ASSOCIATION OF CHAMBERS OF COMMERCE

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(ASSOCOM) IN PORT SHEPSTONE, NATAL, EVENING OF SEPTEMBER 10,

CHIEF GATSHANBUTHELEZI DIRECTED HEAVY CRITICISM AT THE "FREE ENTERPRISE CAPITALIST SYSTEM AS IT OPERATES IN SOUTH AFRICA." BLACKS HAVE NOT BEEN ABLE TO BECOME PART OF THE SYSTEM, BUTHELEZI DECLARED, BECAUSE SAG POLICY IMPINGES ON RIGHTS OF BLACKS TO PARTICIPATE. THESE RIGHTS, ENJOYED BY WHITES AND TO A LESSER EXTENT BY INDIANS AND COLOREDS, WERE ENUMERATED BY BUTHELEZI AS:

- A. RIGHT TO ACQUIRE OR INHERIT LANDED PROPERTY;
- B. BUY OR LEASE OR CONSTRUCT HOUSES;
- C. PRIVATELY OWN MEANS OF PRODUCTION;
- D. USE OF MEANS OF PRODUCTION TO PRODUCE GOODS FOR MAXIMUM PROFITS;
- E. FREEDOM TO INVEST OR PARTICIPATE IN SHARES MARKET;
- F. FREEDOM TO ENGAGE IN ANY OCCUPATION;
- G. RIGHT TO SELL ONE'S LABOR FOR BEST MONETARY REWARD; AND
- H. FREEDOM OF ASSOCIATION OF EMPLOYEES AND COLLECTIVE BARGAINING.

BUTHLEZI WENT ON TO SAY THAT NO ECONOMIC PROGRESS, EVEN THAT EVIDENT IN SOUTH AFRICA, WAS HEALTHY IF IT HURT ANY GROUP WITHIN THE SOCIETY. THOUGH SA IN ECONOMIC TERMS IS MOST DEVELOPED PART OF AFRICA, ITS IMPORTANCE IS DILUTED "TO NIL" BY POLARIZATION OF WEALTH AND POVERTY ALONG RACIAL LINES. THIS, BUTHELEZI ADDED, IS WHY SA BLACKS VIEW AFRICAN COMMUNALISM AS PART OF FUTURE ECONOMIC SYSTEM OF SOUTH AFRICA. WHILE A CERTAIN MEASURE OF FREEENTERPRISE WAS "PERMISSIBLE" WITHIN AFRICAN CULTURE, THIS HAD TO BE BALANCED BY A SYSTEM OF SHARING WITHIN THE COMMUNITY. BUTHELEZI REJECTED ACCUSATIONS BY "SOME LEADING ECONOMISTS" THAT HE HAD OPTED FOR SOCIALIST SYSTEM. HE REITERATED, HOWEVER, THAT WHAT IS AT STAKE IS WHETHER FREE ENTERPRISE, CAPITALIST SYSTEM HAS ANY FUTURE IN AFRICA. HE BELIVED LEADERS OF COMMERCE AND INDUSTRY HAVE AN IMPORTANT ROLE TO PLAY IN DETERMINING THIS OUTCOME.

3. ON POLITICAL LEVEL, BUTHELEZI STATED THAT SAG GOVERNMENT AND POLITICIANS DID NOT CARRY ALL THE GUILT FOR THE PRESENT CRITICAL SITUATION. WHITES GENERALLY HAD ACQUIESCED IN KEEP-ING FOR SELVES ALL DECISION-MAKING. PASSING RESPONSIBILITY FOR CHANGE AND POWER-SHARING TO POLITICIANS WAS THUS AN EVASION.

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BY LEAVING IT TO BLACKS TO PROVIDE OVERDUE CHANGE, WHITES FURTHER ABDICATED RESPONSIBILITY AND IN SO DOING, STAND TO LOSE MUCH MORE THAN BLACKS. BUTHELEZI APPEALED TO WHITE ENTREPRENEURS TO AGREE THAT PROBLEM COULD NOT JUST BE LAID AT GOVERNMENT'S DOING, AND URGED THEM TO ACT TO BRING ABOUT CHANGE AND DEFUSE VIOLENCE. "WE MUST EITHER ACCEPT EACH OTHER OR DESTROY EACH OTHER, AND WITH US ALL THE THINGS THAT WE HAVE BUILT UP TOGETHER OVER A PERIOD OF MORE THAN ONE HUNDRED YEARS."

"WE ARE ON THE THRESHOLD OF GREAT DEVELOPMENTS IF WE CHOOSE TO,
OR ELSE ON THE BRINK OF A PRECIPICE INTO WHICH WE SHALL ALL GO,
WITH ALL THE TANGIBLE THINGS WHICH COMPRISE DEVELOPMENT SO FAR."
FARBER

NOTE BY OCT: #TEXT AS RECEIVED.

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